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November 19, 2013

## ADOPTED

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

26 November 19, 2013

SACHI A. HAMAI  
EXECUTIVE OFFICER



### BOARD OF SUPERVISORS

Gloria Molina  
First District  
Mark Ridley-Thomas  
Second District  
Zev Yaroslavsky  
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Fourth District  
Michael D. Antonovich  
Fifth District

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

**APPROVAL TO EXECUTE A SOLE SOURCE AGREEMENT WITH DIGNITY HEALTH DBA CALIFORNIA HOSPITAL MEDICAL CENTER TO ESTABLISH A COALITION OF NOT-FOR-PROFIT COMMUNITY BENEFITS ORGANIZATIONS AND IMPLEMENT A CENTRALIZED WEB-BASED HEALTH INDICATOR RESOURCE CENTER EFFECTIVE UPON DATE OF BOARD APPROVAL THROUGH JUNE 30, 2016  
(ALL SUPERVISORIAL DISTRICTS)(3 VOTES)**

### **SUBJECT**

Request approval to execute a sole source agreement with Dignity Health dba California Hospital Medical Center to formally establish a coalition of not-for-profit community benefits organizations and implement a centralized web-based health indicator resource center for Los Angeles County.

### **IT IS RECOMMENDED THAT THE BOARD:**

1. Approve and instruct the Director of the Department of Public Health (DPH), or his designee, to execute a non-competitively bid (sole source) contract, substantially similar to Exhibit I, with Dignity Health dba California Hospital Medical Center (CHMC), to establish a coalition of not-for-profit (NFP) hospitals and community benefits-related organizations and implement a centralized web-based health indicator resource center for Los Angeles County (County), effective upon date of Board approval through June 30, 2016, at a County maximum obligation of \$80,000; 100 percent offset by the Productivity Investment Fund (PIF) grant.

2. Delegate authority to the Director of DPH, or his designee, to execute amendments to the CHMC contract that extend the term through June 30, 2017; adjust the term through December 31, 2017; allow the rollover of unspent contract funds; and/or provide an increase, or a decrease in funding up

to 10 percent above or below each term's annual base maximum obligation, effective upon amendment execution or at the beginning of the applicable contract term, and make corresponding service adjustments, as necessary, subject to review and approval by County Counsel, and notification to your Board and the Chief Executive Office.

3. Delegate authority to the Director of DPH, or his designee, to execute change notices to the CHMC contract that authorize modifications to or within budget categories within the budget, up to an adjustment between all budget categories equal to 10 percent of each term's annual base maximum obligation, and corresponding service adjustments, as necessary; changes to hours of operation and/or service locations; and/or corrections of errors in the contract's terms and conditions.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

Approval of Recommendation 1 will allow DPH to enter into a sole source contract with CHMC to: 1) formally establish a coalition of NFP hospitals, community-based organizations, business organizations, community-development banks, academic institutions, and health care providers dedicated to providing health-related information needed to plan and implement community-based interventions; and 2) implement a centralized and comprehensive website that enables users to efficiently obtain health-related data, news, existing health issues in the County and evidence-based interventions that can be utilized to improve community health.

The Public Health Accreditation Board requires public health departments to conduct community health assessments and improvement plans for accreditation. The Affordable Care Act (health reform) and California law require NFP hospitals to perform Community Health Needs Assessments (CHNAs) and Internal Revenue Service regulations require them to work with public health departments in the development of CHNAs. In order to carry out this obligation, DPH conducted an exhaustive review of NFP hospitals in the County and also contacted the Hospital Association of Southern California (HASC), a Hospital Association consisting of more than 170 hospitals (public, private, not-for-profit and for-profit) that covers six counties: Los Angeles, Orange, Santa Barbara, Ventura, Riverside, and San Bernardino to discuss establishing a process for having a common data platform to perform CHNAs. Potential hospitals were identified and preliminary meetings were held to discuss collaboration to meet NFP hospitals' reporting requirements. It was determined that CHMC was the sole agency with the most experience and leadership (since 1995) conducting and coordinating CHNA-related processes and is the only entity in the County with a demonstrated public health perspective able to successfully implement a community benefit program and provide and utilize population-based indicators with various community and academic organizations in the County. CHMC will establish an information resource that all hospitals can utilize for their CHNAs. Currently, DPH responds to individual hospitals' data requests by providing health related data based on the community they serve.

All NFP hospitals must perform CHNAs, which then form the basis for their community benefits programmatic activities. Working from a common comprehensive platform of data and information available to all institutions (and to the public) will allow organizations to quickly move from assessing the needs to addressing the needs. The new coalition will enable all NFP hospitals in the County to fulfill their community benefits requirements based on a common information base and will assist in coordinating efforts with DPH, community organizations, and the public. CHMC will play a critical role in establishing this coalition and in developing a financially sustainable enterprise to coordinate community benefits activities across the County.

CHMC is being recommended for a sole source contract due to its expertise, experience, and proven success in coordinating similar inter-organizational activities, and their ability to dedicate resources to undertake the administrative tasks to establish the organization and the website for the County. CHMC is uniquely positioned to reach the intended target audience as the only entity in the County with a public health perspective that is able to provide and utilize population-based indicators that will be coordinated with NFP hospitals, the community, and academic organizations in the County for CHNAs.

CHMC will implement the website with the capacity to disseminate: 1) data generated by different health programs/organization; 2) state and national-level health data; 3) clear statements of health problems and health risks facing residents of the County; 4) solutions to ameliorate these poor health conditions; 5) the progress made improving these health conditions; and 6) how the County compares on important health indicators (obesity, diabetes, health care coverage, environmental safety, etc.) to Healthy People 2020 target health objectives. The website will be available to the public, to help disseminate data and to provide a platform for information about community benefits activities in Los Angeles County.

Approval of Recommendation 2 will allow DPH to execute amendments to the contract to extend and/or adjust the term of the CHMC contract; rollover unspent funds; and/or increase or decrease funding up to 10 percent above or below the annual base maximum obligation, effective upon amendment execution or at the beginning of the applicable contract term, and make corresponding service adjustments, as necessary. This recommended action will enable DPH to amend the contract to adjust the term for a period of up to six months beyond the expiration date. Such amendments will only be executed if and when there is an unanticipated extension of the term of the applicable grant funding to allow additional time to complete services and utilize grant funding. This authority is being requested to enhance DPH's efforts to expeditiously maximize grant revenue, consistent with Board Policy 4.070: Full Utilization of Grant Funds.

Recommendation 2 will also enable DPH to amend the agreement to allow for the provision of additional units of funded services that are above the service level identified in the current agreement and/or the inclusion of unreimbursed eligible costs, based on the availability of grant funds and grant funder approval. While the County is under no obligation to pay a contractor beyond what is identified in the original executed agreement, the County may determine that the contractor has provided evidence of eligible costs for qualifying contracted services and it is in the County's best interest to increase the maximum contract obligation as a result of receipt of additional grant funds or a determination that funds should be reallocated. This recommendation has not impact on net County cost.

Approval of Recommendation 3 will allow DPH to execute change notices to the CHMC contract that authorize modifications to or within budget categories within the budget, up to an adjustment between all budget categories equal to 10 percent of each term's annual base maximum obligation, and corresponding service adjustments, as necessary; changes to hours of operation and/or service locations; and/or corrections of errors in the Contract's terms and conditions.

### **Implementation of Strategic Plan Goals**

The recommended actions support Goal 3, Integrated Services Delivery, of the County's Strategic Plan.

### **FISCAL IMPACT/FINANCING**

The total County maximum obligation for the CHMC contract is \$80,000, fully funded by the PIF grant, consisting of \$40,000 effective upon date of Board approval through June 30, 2014, \$20,000 for fiscal year (FY) 2014-15, and \$20,000 for FY 2015-16. Under this contract, CHMC will provide an in-kind contribution in the amount of \$24,180 for personnel support effective date of Board approval through June 30, 2016.

There is no net County cost associated with this action. Funding for this contract is included in DPH's Final Adopted Budget for FY 2013-14 and will be requested in future FYs, as necessary.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

On March 5, 2012, DPH's Office of Health Assessment and Epidemiology was awarded the PIF grant in the amount of \$80,000 from the Los Angeles County Quality and Productivity Commission (Commission) for FY 2012-13.

In June 2013, the Commission approved a revision to the schedule of withdrawals and payments to DPH for the utilization of grants funds in FY 2013-14 to support the CHMC contract. Future revisions, if any, to the schedule will be submitted to the Commission, as necessary.

County Counsel has approved Exhibit I as to use. Attachment A is the signed Sole Source Checklist.

### **CONTRACTING PROCESS**

Based on the exhaustive review conducted to discuss possible collaborations to satisfy NFP hospitals' regulation requirements, DPH concluded that CHMC was the agency most qualified and with the most experience to provide the required services. As such, DPH determined it was not cost effective to conduct a solicitation for these services. DPH recommends contracting with CHMC for this sole source contract to establish a coalition and implement a centralized and comprehensive website to enable users to efficiently obtain health-related data, health news, and information on existing health issues in the County.

### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

Approval of the recommended action will allow DPH to execute a contract with CHMC to establish a coalition and implement a centralized web-based health indicator resource center for the County.

The Honorable Board of Supervisors

11/19/2013

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Respectfully submitted,

A handwritten signature in blue ink that reads "Jonathan E. Fielding". The signature is written in a cursive, flowing style.

JONATHAN E. FIELDING, M.D., M.P.H.

Director and Health Officer

JEF:yl

Enclosures

c: Chief Executive Officer  
County Counsel  
Executive Officer, Board of Supervisors

Contract No. PH-Pending

**COMMUNITY HEALTH NEEDS ASSESSMENTS  
SERVICES**

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**COMMUNITY HEALTH NEEDS ASSESSMENTS SERVICES**

THIS CONTRACT is made and entered into this \_\_\_\_\_  
day of \_\_\_\_\_, 2013,

by and between	COUNTY OF LOS ANGELES (hereafter "County")
and	DIGNITY HEALTH DBA CALIFORNIA HOSPITAL MEDICAL CENTER (hereafter "Contractor")

WHEREAS, California Health and Safety Code Section 101025 places upon County's Board of Supervisors ("Board"), the duty to preserve and protect the public's health; and

WHEREAS, California Health and Safety Code Section 101000 requires County's Board to appoint a County Health Officer, who is also the Director of County's Department of Public Health ("DPH" or "Department"), to provide services directed toward the prevention or mitigation of communicable and infectious diseases within the jurisdiction of County; and

WHEREAS, the term "Director" as used herein refers to the County's Director of DPH, or his duly authorized designee; (hereafter jointly referred to as "Director"); and

WHEREAS, County is authorized by Government Code Section 31000 to contract for these services, and



WHEREAS, Contractor is willing and able to provide the services described herein, in consideration of the payments under this contract and under the terms and conditions hereafter set forth; and

NOW THEREFORE, in consideration of the mutual covenants contained herein, and for good and valuable consideration, the parties agree to the following:

1. APPLICABLE DOCUMENTS:

Exhibits (A, B, C, D, E, F, and G) are attached to and form a part of this Contract. In the event of any conflict or inconsistency in the definition or interpretation of any word, responsibility, schedule, or the contents or description of any task, deliverable, goods, service, or other work, or otherwise between the base Contract and the Exhibits, or between Exhibits, such conflict or inconsistency shall be resolved by giving precedence first to the Contract and then to the Exhibits as listed below:

Standard Exhibits

Exhibit A – Statement of Work “Intentionally Omitted”

Exhibit B – Scope of Work

Exhibit C – Schedule(s)

Exhibit D – Contractor’s EEO Certification

Exhibit E – Contractor Acknowledgement and Confidentiality Agreement

Unique Exhibits

Exhibit F – Charitable Act Compliance

Exhibit G – Contractor’s Assignment and Transfer of Copyright

2. DESCRIPTION OF SERVICES:

A. Contractor shall provide services in the manner described in Exhibit B (Scope of Work), attached hereto and incorporated herein by reference.

B. Contractor acknowledges that the quality of service(s) provided under this Contract shall be at least equivalent to that which Contractor provides to all other clients it serves.

C. If the Contractor provides any tasks, deliverables, goods, services, or other work, other than as specified in this Contract, the same shall be deemed to be a gratuitous effort on the part of the Contractor, and the Contractor shall have no claim whatsoever against the County.

3. TERM OF CONTRACT:

The term of this Contract shall be effective upon date of Board approval and shall continue in full force and effect through June 30, 2016, unless sooner terminated or extended, in whole or in part, as provided in this Contract.

The Contractor shall notify (Department) when this Contract is within six (6) months from the expiration of the term as provided for hereinabove. Upon occurrence of this event, the Contractor shall send written notification to (Department) at the address herein provided in Paragraph 21, NOTICES.

4. MAXIMUM OBLIGATION OF COUNTY:

A. Effective upon date of Board approval through June 30, 2014, the maximum obligation of County for all services provided hereunder shall not

exceed Forty Thousand Dollars (\$40,000), as set forth in Exhibit C-1, attached hereto and incorporated herein by reference.

B. Effective July 1, 2014 through June 30, 2015, the maximum obligation of County for all services provided hereunder shall not exceed Twenty Thousand Dollars (\$20,000), as set forth in Exhibit C-2, attached hereto and incorporated herein by reference.

C. Effective July 1, 2015 through June 30, 2016, the maximum obligation of County for all services provided hereunder shall not exceed Twenty Thousand Dollars (\$20,000), as set forth in Exhibit C-3, attached hereto and incorporated herein by reference.

D. The Contractor shall not be entitled to payment or reimbursement for any tasks or services performed, nor for any incidental or administrative expenses whatsoever incurred in or incidental to performance hereunder, except as specified herein. Assumption or takeover of any of the Contractor's duties, responsibilities, or obligations, or performance of same by any entity other than the Contractor, whether through assignment, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever, shall occur only with the County's express prior written approval.

E. The Contractor shall maintain a system of record keeping that will allow the contractor to determine when it has incurred seventy-five percent (75%) of the total contract authorization under this Contract. Upon

occurrence of this event, the Contractor shall send written notification to the Department at the address herein provided under Paragraph 21, NOTICES.

F. No Payment for Services Provided Following

Expiration/Termination of Contract: The Contractor shall have no claim against County for payment of any money or reimbursement, of any kind whatsoever, for any service provided by the Contractor after the expiration or other termination of this Contract. Should the Contractor receive any such payment it shall immediately notify County and shall immediately repay all such funds to County. Payment by County for Services rendered after expiration/termination of this Contract shall not constitute a waiver of County's right to recover such payment from the Contractor. This provision shall survive the expiration or other termination of this Contract.

5. INVOICES AND PAYMENT:

A. The Contractor shall invoice the County only for providing the tasks, deliverables, goods, services, and other work specified in Exhibit B elsewhere hereunder and in accordance with the Schedule(s) attached hereto and incorporated herein by reference.

B. The Contractor shall bill County monthly in arrears. All billings shall include a financial invoice and all required reports and/or data. All billings shall clearly reflect all required information as specified on forms provided by County regarding the services for which claims are to be made and any and all payments made to Contractor.

C. Billings shall be submitted to County within thirty (30) calendar days after the close of each calendar month. Within a reasonable period of time following receipt of a complete and correct monthly billing, County shall make payment in accordance to the Schedule(s) attached hereto and incorporated herein by reference.

D. Billings shall be submitted directly to County of Los Angeles, Office of Health Assessment and Epidemiology- Data Collection and Analysis Unit, at the address herein provided under Section 21, NOTICES.

E. For each term, or portion thereof, that this Contract is in effect, Contractor shall provide an annual cost report within thirty (30) calendar days following the close of the contract period. Such cost report shall be prepared in accordance with generally accepted accounting principles and clearly reflect all required information as specified in instructions and forms provided by the County.

If this Contract is terminated prior to the close of the contract period, the cost report shall be for that Contract period which ends on the termination date. The report shall be submitted within thirty (30) calendar days after such termination date.

The primary objective of the annual cost report shall be to provide the County with actual expenditure data for the contract period that shall serve as the basis for determining final amounts due to/from the Contractor.

If the annual cost report is not delivered by Contractor to County within the specified time, Director may withhold all payments to Contractor under all service agreements between County and Contractor until such report is delivered to County and/or, at the Director's sole discretion, a final determination of amounts due to/from Contractor is determined on the basis of the last monthly billing received.

Failure to provide the annual cost report may constitute a material breach of the Contract, in the sole discretion of the County, upon which the County may suspend or terminate this Contract.

F. Upon expiration or prior termination of this Contract, Contractor shall submit, within thirty (30) calendar days, any outstanding and/or final invoice(s) for processing and payment. Contractor's failure to submit any outstanding and/or final invoice(s) within the specified period shall constitute Contractor's waiver to receive payment for any outstanding and/or final invoice(s).

G. Withholding Payment:

(1) Subject to the reporting and data requirements of this Contract and the exhibit(s) attached hereto, County may withhold any claim for payment by Contractor if any report or data is not delivered by Contractor to County within the time limits of submission as set forth in this Contract, or if such report or data is incomplete in accordance with requirements set

forth in this Contract. This withholding may be invoked for the current month and any succeeding month or months for reports or data not delivered in a complete and correct form.

(2) Subject to the Record Retention and Audits provision of this Contract, County may withhold any claim for payment by Contractor if Contractor has been given at least thirty (30) calendar days' notice of deficiency(ies) in compliance with the terms of this Contract and has failed to correct such deficiency(ies). This withholding may be invoked for any month or months for deficiency(ies) not corrected.

(3) Upon acceptance by County of all report(s) and data previously not accepted under this provision and/or upon correction of the deficiency(ies) noted above, County shall reimburse all withheld payments on the next regular monthly claim for payment by Contractor.

(4) Subject to the provisions of the exhibit(s) of this Contract, if the services are not completed by Contractor within the specified time, County may withhold all payments to Contractor under this Contract until proof of such service(s) is/are delivered to County.

(5) In addition to Subparagraphs (1) through (4) immediately above, Director may withhold claims for payment by Contractor which are delinquent amounts due to County as determined by any cost report settlement, audit report, audit report settlement, or financial evaluation report, resulting from this or any current year's Contract(s) or any prior

years' Contract(s) between the County and Contractor. The withheld claims will be used to pay all outstanding delinquent amounts and upon the County being repaid all outstanding delinquent amounts, any remaining claims for payment will be made to the Contractor accordingly.

(6) County may withhold any claim for payment by Contractor if Contractor, in the judgment of the county is in material breach of this Contract or has failed to fulfill its obligations under this Contract until Contractor has cured said breaches and/or failures. County will provide written notice of its intention to withhold payment specifying said breaches and/or failure to Contractor.

H. Fiscal Viability: Contractor must be able to carry the costs of its program without reimbursement from the contract for at least sixty (60) days at any point during the term of this contract.

6. FUNDING/SERVICES ADJUSTMENTS AND REALLOCATIONS:

A. Upon Director's specific written approval, as authorized by the County's Board of Supervisors, County may: 1) increase or decrease funding up to 10 percent above or below each term's annual base maximum obligation; 2) reallocate funds between schedules within this Contract where such funds can be more effectively used by Contractor up to 10 percent of the term's annual base maximum obligation; and 3) make modifications to or within budget categories within each schedule, as reflected in Exhibit C, up to an adjustment between all budget categories equal to 10 percent of each



term's annual base maximum obligation, and make corresponding service adjustments, as necessary. Such adjustments may be made based on the following: (a) if additional monies are available from federal, State, or County funding sources; (b) if a reduction of monies occurs from federal, State, or County funding sources; and/or (c) if County determines from reviewing Contractor's records of service delivery and billings to County that an underutilization of funds provided under this Contract will occur over its term.

All funding adjustments and reallocation as allowed under this Paragraph may be effective upon amendment execution or at the beginning of the applicable contract term, to the extent allowed by the funding source and as authorized by the County's Board of Supervisors. Adjustments and reallocations of funds in excess of the aforementioned amount shall require separate approval by County's Board of Supervisors. Any change to the County maximum obligation or reallocation of funds between schedules in this Contract shall be effectuated by an administrative amendment to this Contract pursuant to the ALTERATION OF TERMS/AMENDMENTS Paragraph of this Contract. Any modification to or within budget categories within each schedule, as reflected in Exhibit C, shall be effectuated by a change notice that shall be incorporated into and become part of this Contract pursuant to the ALTERATION OF TERMS/AMENDMENTS Paragraph of this Contract.

B. County and Contractor shall review Contractor's expenditures and commitments to utilize any funds, which are specified in this Contract for the

services hereunder and which are subject to time limitations as determined by Director, midway through each County fiscal year during the term of this Contract, midway through the applicable time limitation period for such funds if such period is less than a County fiscal year, and/or at any other time or times during each County fiscal year as determined by Director. At least fifteen (15) calendar days prior to each such review, Contractor shall provide Director with a current update of all of Contractor's expenditures and commitments of such funds during such fiscal year or other applicable time period.

7. ALTERATION OF TERMS/AMENDMENTS:

A. The body of this Contract (including its ADDITIONAL PROVISIONS), and any Exhibit(s) attached hereto, fully expresses all understandings of the parties concerning all matters covered and shall constitute the total Contract. No addition to, or alteration of, the terms of this Contract, whether by written or verbal understanding of the parties, their officers, employees or agents, shall be valid and effective unless made in the form of a written amendment to this Contract which is formally approved and executed by the parties in the same manner as this Contract.

B. The County's Board of Supervisors; the Chief Executive Officer or designee; or applicable State and/or federal entities, laws, or regulations may require the addition and/or change of certain terms and conditions in the Contract during the term of this Contract to comply with changes in law or

County policy. The County reserves the right to add and/or change such provisions as required by the County's Board of Supervisors, Chief Executive Officer, or State or federal entity. To implement such changes, an Amendment to the Contract shall be prepared by Director and executed by the Contractor and Director, as authorized by the County's Board of Supervisors.

C. Notwithstanding Paragraph 7.A., in instances where the County's Board of Supervisors has delegated authority to the Director to amend this Contract to permit extensions or adjustments of the contract term; the rollover of unspent Contract funds; and/or an internal reallocation of funds between budgets up to 10 percent of each term's annual base maximum obligation and/or an increase or decrease in funding up to 10 percent above or below each term's annual base maximum obligation, effective upon amendment execution or at the beginning of the applicable Contract term, and make corresponding service adjustments, as necessary, an Administrative Amendment shall be prepared by Director and executed by the Contractor and Director, as authorized by the County's Board of Supervisors, and shall be incorporated into and become part of this Contract.

D. Notwithstanding Paragraph 7.A., in instances where the County's Board of Supervisors has delegated authority to the Director to amend this Contract to permit modifications to or within budget categories within each schedule, as reflected in Exhibit C, up to an adjustment between all budget

categories equal to 10 percent of each term's annual base maximum obligation, and corresponding adjustment of the scope of work tasks and/or activities and/or allow for changes to hours of operation, changes to service locations, and/or correction of errors in the Contract's terms and conditions, a written Change Notice shall be signed by the Director and Contractor, as authorized by the County's Board of Supervisors. The executed Change Notice shall be incorporated into and become part of this Contract.

8. CONFIDENTIALITY:

A. Contractor shall maintain the confidentiality of all records and information in accordance with all applicable Federal, State and local laws, rules, regulations, ordinances, directives, guidelines, policies and procedures relating to confidentiality, including, without limitation, County policies concerning information technology security and the protection of confidential records and information.

B. Contractor shall indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting, or professional fees, arising from, connected with, or related to any failure by Contractor, its officers, employees, agents, or subcontractors, to comply with this CONFIDENTIALITY Paragraph, as determined by County in its sole judgment. Any legal defense pursuant to Contractor's indemnification

obligations under this CONFIDENTIALITY Paragraph shall be conducted by Contractor and performed by counsel selected by Contractor and approved by County. Notwithstanding the preceding sentence, County shall have the right to participate in any such defense at its sole costs and expense, except that in the event Contractor fails to provide County with a full and adequate defense, as determined by County in its sole judgment, County shall be entitled to retain its own counsel, including, without limitation, County Counsel, and reimbursement from Contractor for all such costs and expenses incurred by County in doing so. Contractor shall not have the right to enter into any settlement, agree to any injunction, or make any admission, in each case, on behalf of County without County's prior written approval.

C. Contractor shall inform all of its officers, employees, agents and subcontractors providing services hereunder of the confidentiality provisions of this Contract.

D. Contractor shall sign and adhere to the provisions of the "Contractor Acknowledgement and Confidentiality Agreement", Exhibit E.

9. COUNTY EMPLOYEES'S RIGHT OF FIRST REFUSAL AND  
CONTRACTOR'S OFFERS OF EMPLOYMENT:

To the degree permitted by Contractor's Contracts with its collective bargaining units, Contractor shall give the right of first refusal for its employment openings at Contractor's facility to qualified County employees who are laid-off or who leave County

employment in lieu of reduction under County's Civil Service Rule 19, and who are referred to Contractor by Director (including those on a County re-employment list). Such offers of employment shall be limited to vacancies in Contractor's staff needed to commence services under this Contract, as well as, to vacancies that occur during the Contract term. Such offers of employment shall be consistent with Contractor's current employment policies, and shall be made to any former or current County employee who has made application to Contractor, and is qualified for the available position. Employment offers shall be at least under the same conditions and rates of compensations which apply to other persons who are employed or may be employed by Contractor. Former County employees who have been impacted by County's Civil Service Rule 19, and who are employed by Contractor shall not be discharged during the term of the Contract except for cause, subject to Contractor's personnel policies and procedures, and Contract(s) with its collective bargaining units. Contractor shall also give first consideration to laid-off or reduced County employees if vacancies occur at Contractor's other service sites during the Contract term.

10. CONTRACTOR'S OBLIGATION AS A NON-BUSINESS ASSOCIATE UNDER THE HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA) OF 1996:

The parties acknowledge the existence of the Health Insurance Portability and Accountability Act of 1996 and its implementing regulations ("HIPAA"). Contractor understands and agrees that, as a provider of medical treatment services, it is a

“covered entity” under HIPAA and, as such, has obligations with respect to the confidentiality, privacy and security of patient’s medical information, and must take certain steps to preserve the confidentiality of this information, both internally and externally, including the training of its staff and the establishment of proper procedures for the release of such information, and the use of appropriate consents and authorizations specified under HIPAA.

The parties acknowledge their separate and independent obligations with respect to HIPAA, and that such obligations relate to transactions and code sets, privacy, and security. Contractor understands and agrees that it is separately and independently responsible for compliance with HIPAA in all these areas and that County has not undertaken any responsibility for compliance on Contractor’s behalf. Contractor has not relied, and will not in any way rely, on County for legal advice or other representations with respect to Contractor’s obligations under HIPAA, but will independently seek its own counsel and take the necessary measures to comply with the law and its implementing regulations.

“CONTRACTOR AND COUNTY UNDERSTAND AND AGREE THAT EACH IS INDEPENDENTLY RESPONSIBLE FOR HIPAA COMPLIANCE AND AGREE TO TAKE ALL NECESSARY ACTIONS TO COMPLY WITH THE REQUIREMENTS OF THE HIPAA LAW AND IMPLEMENTING REGULATIONS RELATED TO TRANSACTIONS AND CODE SET, PRIVACY AND SECURITY. EACH PARTY FURTHER AGREES TO INDEMNIFY AND HOLD HARMLESS THE OTHER PARTY

(INCLUDING THEIR OFFICERS, EMPLOYEES, AND AGENTS), FOR ITS FAILURE TO COMPLY WITH HIPAA.”

11. INDEMNIFICATION: The Contractor shall indemnify, defend, and hold harmless the County, its Special Districts, elected and appointed officers, employees, agents and volunteers (“County Indemnitees”) from and against any and all liability, including but not limited to demands, claims, actions, fees, costs, and expenses (including attorney and expert witness fees), arising from and/or relating to this Contract, except for such loss or damage arising from the sole negligence or willful misconduct of the County Indemnitees.

12. GENERAL PROVISIONS FOR ALL INSURANCE COVERAGES: Without limiting Contractor's indemnification of County and in the performance of this Contract and until all of its obligations pursuant to this Contract have been met, Contractor shall provide and maintain at its own expense insurance coverage satisfying the requirements specified in this paragraph and in the INSURANCE COVERAGE REQUIREMENTS paragraph of this Contract. These minimum insurance coverage terms, types and limits (the “Required Insurance”) also are in addition to and separate from any other contractual obligation imposed upon Contractor pursuant to this Contract. The County in no way warrants that the Required Insurance is sufficient to protect the Contractor for liabilities which may arise from or relate to this Contract.

A. Evidence of Coverage and Notice to County: A certificate(s) of insurance coverage (Certificate) satisfactory to County, and a copy of an Additional Insured endorsement confirming County and its Agents (defined



below) has been given Insured status under the Contractor's General Liability policy, shall be delivered to the County at the address shown below and provided prior to commencing services under this Contract.

Renewal Certificates shall be provided to County not less than ten (10) calendar days prior to Contractor's policy expiration dates. The County reserves the right to obtain complete, certified copies of any required Contractor and/or Sub-Contractor insurance policies at any time.

Certificates shall identify all Required Insurance coverage types and limits specified herein, reference this Contract by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate shall match the name of the Contractor identified as the contracting party in this Contract. Certificates shall provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance Commissioners) identification number, its financial rating, the amounts of any policy deductibles or self-insured retentions exceeding fifty thousand (\$50,000) dollars, and list any County required endorsement forms.

Neither the County's failure to obtain, nor the County's receipt of, or failure to object to a non-complying insurance certificate or endorsement, or any other insurance documentation or information provided by the Contractor, its insurance broker(s) and/or insurer(s), shall be construed as a waiver of any of the Required Insurance provisions.

Certificates and copies of any required endorsements shall be sent to:

County of Los Angeles – Department of Public Health  
Contract Monitoring Unit  
5555 Ferguson Drive, Suite 210  
Commerce, California 90022  
Attention: Chief Contract Monitoring Unit

Contractor also shall promptly report to County any injury or property damage accident or incident, including any injury to a Contractor employee occurring on County property, and any loss, disappearance, destruction, misuse, or theft of County property, monies or securities entrusted to Contractor.

Contractor also shall promptly notify County of any third party claim or suit filed against Contractor or any of its Sub-Contractors which arises from or relates to this Contract, and could result in the filing of a claim or lawsuit against Contractor and/or County.

B. Additional Insured Status and Scope of Coverage: The County of Los Angeles, its special Districts, Elected Officials, Officers, Agents, Employees and Volunteers (collectively County and its Agents) shall be provided additional insured status under Contractor's General Liability policy with respect to liability arising out of Contractor's ongoing and completed operations performed on behalf of the County. County and its Agents additional insured status shall apply with respect to liability and defense of suits arising out of the Contractor's acts or omissions, whether such liability is attributable to the Contractor or to the County. The full policy limits and scope of protection also shall apply to the County and its Agents as an additional insured, even if they exceed the County's minimum Required Insurance

specifications herein. Use of an automatic additional insured endorsement form is acceptable providing it satisfies the Required Provisions herein.

C. Cancellation of or Changes in Insurance: Contractor shall provide County with, or Contractor's insurance policies shall contain a provision that County shall receive, written notice of cancellation or any change in Required Insurance, including insurer, limits of coverage, term of coverage or policy period. The written notice shall be provided to County at least ten (10) days in advance of cancellation for non-payment of premium and thirty (30) days in advance for any other cancellation or policy change. Failure to provide written notice of cancellation or any change in Required Insurance may constitute a material breach of the Contract, in the sole discretion of the County, upon which the County may suspend or terminate this Contract.

D. Failure to Maintain Insurance: Contractor's failure to maintain or to provide acceptable evidence that it maintains the Required Insurance shall constitute a material breach of the Contract, upon which County immediately may withhold payments due to Contractor, and/or suspend or terminate this Contract. County, at its sole discretion, may obtain damages from Contractor resulting from said breach. Alternatively, the County may purchase the Required Insurance, and without further notice to Contractor, deduct the premium cost from sums due to Contractor or pursue Contractor reimbursement.

E. Insurer Financial Ratings: Coverage shall be placed with insurers acceptable to the County with an A.M. Best ratings of not less than A:VII unless otherwise approved by County.

F. Contractor's Insurance Shall Be Primary: Contractor's insurance policies, with respect to any claims related to this Contract, shall be primary with respect to all other sources of coverage available to Contractor. Any County maintained insurance or self-insurance coverage shall be in excess of and not contribute to any Contractor coverage.

G. Waivers of Subrogation: To the fullest extent permitted by law, the Contractor hereby waives its rights and its insurer(s)' right of recovery against County under all the Required Insurance for any loss arising from or relating to this Contract. The Contractor shall require its insurers to execute any waiver of subrogation endorsements which may be necessary to effect such waiver.

H. Compensation for County Costs: In the event that Contractor fails to comply with any of the indemnification or insurance requirements of this Contract, and such failure to comply results in any costs to County, Contractor shall pay full compensation for all costs incurred by County.

I. Sub-Contractor Insurance Coverage Requirements: Contractor shall include all Sub-Contractors as insureds under Contractor's own policies, or shall provide County with each Sub-Contractor's separate evidence of insurance coverage. Contractor shall be responsible for verifying each Sub-

Contractor complies with the Required Insurance provisions herein, and shall require that each Sub-Contractor name the County and Contractor as additional insureds on the Sub-Contractor's General Liability policy. Contractor shall obtain County's prior review and approval of any Sub-Contractor request for modification of the Required Insurance.

J. Deductibles and Self-Insured Retentions (SIRs): Contractor's policies shall not obligate the County to pay any portion of any Contractor deductible or SIR. The County retains the right to require Contractor to reduce or eliminate policy deductibles and SIRs as respects to the County, or to provide a bond guaranteeing Contractor's payment of all deductibles and SIRs, including all related claims investigation, administration and defense expenses. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

K. Claims Made Coverage: If any part of the Required Insurance is written on a claims made basis, any policy retroactive date shall precede the effective date of this Contract. Contractor understands and agrees it shall maintain such coverage for a period of not less than three (3) years following Contract expiration, termination or cancellation.

L. Application of Excess Liability Coverage: Contractors may use a combination of primary, and excess insurance policies which provide coverage as broad as ("follow form" over) the underlying primary policies, to satisfy the Required Insurance provisions.

M. Separation of Insureds: All liability policies shall provide cross-liability coverage as would be afforded by the standard ISO (Insurance Services Office, Inc.) separation of insureds provision with no insured versus insured exclusions or limitations.

N. Alternative Risk Financing Programs: The County reserves the right to review, and then approve, Contractor use of self-insurance, risk retention groups, risk purchasing groups, pooling arrangements and captive insurance to satisfy the Required Insurance provisions. The County and its Agents shall be designated as an Additional Covered Party under any approved program.

O. County Review and Approval of Insurance Requirements: The County reserves the right to review and adjust the Required Insurance provisions, conditioned upon County's determination of changes in risk exposures.

13. INSURANCE COVERAGE REQUIREMENTS:

A. Commercial General Liability insurance (providing scope of coverage equivalent to Insurance Services Office ["ISO"] policy form "CG 00 01"), naming County and its Agents as an additional insured, with limits of not less than:

General Aggregate:	\$2 Million
Products/Completed Operations Aggregate:	\$1 Million
Personal and Advertising Injury:	\$1 Million

Each Occurrence:

\$1 Million

B. Automobile Liability insurance (providing scope of coverage equivalent to ISO policy form "CA 00 01") with limits of not less than \$1 Million for bodily injury and property damage, in combined or equivalent split limits, for each single accident. Insurance shall cover liability arising out of Contractor's use of autos pursuant to this Contract, including "owned", "leased", "hired", and/or "non-owned" autos, as each may be applicable.

C. Workers' Compensation and Employers' Liability insurance or qualified self-insurance satisfying statutory requirements, which includes Employers' Liability coverage with limits of not less than \$1 million per accident. If Contractor will provide leased employees, or, is an employee leasing or temporary staffing firm or a professional employer organization (PEO), coverage also shall include an Alternate Employer Endorsement (providing scope of coverage equivalent to ISO policy form WC 00 03 01 A) naming the County as the Alternate Employer, and the endorsement form shall be modified to provide that County will receive not less than thirty (30) days advance written notice of cancellation of this coverage provision. If applicable to Contractor's operations, coverage shall be arranged to satisfy the requirements of any federal workers or workmen's compensation law or any federal occupational disease law.

D. Professional Liability/Errors and Omissions: Insurance covering Contractor's liability arising from or related to this Contract, with limits of not

less than \$1 million per claim and Two Million Dollars (\$2,000,000) aggregate. Further, Contractor understands and agrees it shall maintain such coverage for a period of not less than three (3) years following this Contract's expiration, termination or cancellation.

14. RECORD RETENTION AND AUDITS:

A. Service Records: Contractor shall maintain all service records related to this contract for a minimum period of five (5) years following the expiration or prior termination of this Contract. Contractor shall provide upon request by County, accurate and complete records of its activities and operations as they relate to the provision of services, hereunder. Records shall be accessible as detailed in the subsequent sub-paragraph.

B. Financial Records: Contractor shall prepare and maintain on a current basis, complete financial records in accordance with generally accepted accounting principles and also in accordance with written guidelines, standards, and procedures which may from time to time be promulgated by Director. For additional information, please refer to the Los Angeles County Auditor-Controller's Contract Accounting and Administration Handbook. The handbook is available on the internet at <http://publichealth.lacounty.gov/cg/index.htm>

Such records shall clearly reflect the actual cost of the type of service for which payment is claimed and shall include, but not be limited to:



(1) Books of original entry which identifies all designated donations, grants, and other revenues, including County, federal, and State revenues and all costs by type of service.

(2) A General Ledger.

(3) A written cost allocation plan which shall include reports, studies, statistical surveys, and all other information Contractor used to identify and allocate indirect costs among Contractor's various services. Indirect Costs shall mean those costs incurred for a common or joint objective which cannot be identified specifically with a particular project or program.

(4) Personnel records which show the percentage of time worked providing service claimed under this Contract. Such records shall be corroborated by payroll timekeeping records, signed by the employee and approved by the employee's supervisor, which show time distribution by programs and the accounting for total work time on a daily basis. This requirement applies to all program personnel, including the person functioning as the executive director of the program, if such executive director provides services claimed under this Contract.

(5) Personnel records which account for the total work time of personnel identified as indirect costs in the approved contract budget. Such records shall be corroborated by payroll timekeeping records signed by the employee and approved by the employee's supervisor. This

requirement applies to all such personnel, including the executive director of the program, if such executive director provides services claimed under this Contract.

The entries in all of the aforementioned accounting and statistical records must be readily traceable to applicable source documentation (e.g., employee timecards, remittance advice, vendor invoices, appointment logs, client/patient ledgers). The client/patient eligibility determination and fees charged to, and collected from clients/patients must also be reflected therein. All financial records shall be retained by Contractor at a location within Los Angeles County during the term of this Contract and for a minimum period of five (5) years following expiration or earlier termination of this Contract, or until federal, State and/or County audit findings are resolved, whichever is later. During such retention period, all such records shall be made available during normal business hours within ten (10) calendar days, to authorized representatives of federal, State, or County governments for purposes of inspection and audit. In the event records are located outside Los Angeles county and Contractor is unable to move such records to Los Angeles County, the Contractor shall permit such inspection or audit to take place at an agreed to outside location, and Contractor shall pay County for all travel, per diem, and other costs incurred by county for any inspection and audit at such other location. Contractor shall further agree to provide such

records, when possible, immediately to county by facsimile/FAX, or through the Internet (i.e. electronic mail ["e-mail"]), upon Director's request. Director's request shall include appropriate County facsimile/FAX number(s) and/or e-mail address(es) for Contractor to provide such records to County. In any event, Contractor shall agree to make available the original documents of such FAX and e-mail records when requested by Director for review as described hereinabove.

C. Preservation of Records: If following termination of this Contract Contractor's facility is closed or if ownership of Contractor changes, within forty-eight (48) hours thereafter, the Director is to be notified thereof by Contractor in writing and arrangements are to be made by contractor for preservation of the client/patient and financial records referred to hereinabove.

D. Audit Reports: In the event that an audit of any or all aspects of this Contract is conducted by any federal or State auditor, or by any auditor or accountant employed by contractor or otherwise, Contractor shall file a copy of each such audit report(s) with the Chief of the County's Department of Public Health ("DPH") Contract Monitoring Division, and with County's Auditor-Controller (Auditor-Controller's Audit Branch) within thirty (30) calendar days of Contractor's receipt thereof, unless otherwise provided for under this Contract, or under applicable federal or State regulations. To the

extent permitted by law, County shall maintain the confidentiality of such audit report(s).

E. Independent Audit: Contractor's financial records shall be audited by an independent auditor in compliance with Federal Office of Management and Budget (OMB) Circular Number A-133. The audit shall be made by an independent auditor in accordance with Governmental Financial Auditing Standards developed by the Comptroller General of the United States, and any other applicable federal, State, or County statutes, policies, or guidelines. Contractor shall complete and file such audit report(s) with the County's DPH Contract Monitoring Division no later than the earlier of thirty (30) days after receipt of the auditor's report(s) or nine (9) months after the end of the audit period.

If the audit report(s) is not delivered by contractor to County within the specified time, Director may withhold all payments to Contractor under all service agreements between County and contractor until such report(s) is delivered to County.

The independent auditor's work papers shall be retained for a minimum of three (3) years from the date of the report, unless the auditor is notified in writing by County to extend the retention period. Audit work paper shall be made available for review by federal, State, or County representative upon request.

F. Federal Access to Records: If, and to the extent that, Section 1861 (v) (1) (I) of the Social Security Act [42 United States Code (“U.S.C.”) Section 1395x(v) (1) (I)] is applicable, Contractor agrees that for a period of five (5) years following the furnishing of services under this Contract, Contractor shall maintain and make available, upon written request, to the Secretary of the United States Department of Health and Human Services or the Comptroller General of the United States, or to any of their duly authorized representatives, the contracts, books, documents, and records of Contractor which are necessary to verify the nature and extent of the cost of services provided hereunder. Furthermore, if Contractor carries out any of the services provided hereunder through any subcontract with a value or cost of Ten Thousand Dollars (\$10,000) or more over a twelve (12) month period with a related organization (as that term is defined under federal law), Contractor agrees that each such subcontract shall provide for such access to the subcontract, books, documents, and records of the subcontractor.

G. Program and Audit/Compliance Review: In the event County representatives conduct a program review and/or an audit/compliance review of Contractor, Contractor shall fully cooperate with County’s representatives. Contractor shall allow County representatives access to all records of services rendered and all financial records and reports pertaining to this Contract and shall allow photocopies to be made of these documents utilizing Contractor’s photocopier, for which County shall reimburse Contractor its

customary charge for record copying services, if requested. Director shall provide Contractor with at least ten (10) working days prior written notice of any audit/compliance review, unless otherwise waived by Contractor.

County may conduct a statistical sample audit/compliance review of all claims paid by County during a specified period. The sample shall be determined in accordance with generally accepted auditing standards. An exit conference shall be held following the performance of such audit/compliance review at which time the result shall be discussed with Contractor. Contractor shall be provided with a copy of any written evaluation reports.

Contractor shall have the opportunity to review County's findings on Contractor, and Contractor shall have thirty (30) calendar days after receipt of County's audit/compliance review results to provide documentation to County representatives to resolve the audit exceptions. If, at the end of the thirty (30) calendar day period, there remains audit exceptions which have not been resolved to the satisfaction of County's representatives, then the exception rate found in the audit, or sample, shall be applied to the total County payment made to Contractor for all claims paid during the audit/compliance review period to determine Contractor's liability to County. County may withhold any claim for payment by Contractor for any month or months for any deficiency(ies) not corrected.

H. Audit Settlements:

(1) If an audit conducted by federal, State, and/or County representatives finds that units of service, actual reimbursable net costs for any services and/or combinations thereof furnished hereunder are lower than units of service and/or reimbursement for stated actual net costs for any services for which payments were made to Contractor by County, then payment for the unsubstantiated units of service and/or unsubstantiated reimbursement of stated actual net costs for any services shall be repaid by Contractor to County. For the purpose of this paragraph an “unsubstantiated unit of service” shall mean a unit of service for which Contractor is unable to adduce proof of performance of that unit of service and “unsubstantiated reimbursement of stated actual net costs” shall mean a stated actual net costs for which Contractor is unable to adduce proof of performance and/or receipt of the actual net cost for any service.

(2) If an audit conducted by federal, State, and/or County representatives finds that actual allowable and documented costs for a unit of service provided hereunder are less than the County’s payment for those units of service, the Contractor shall repay County the difference immediately upon request, or County has the right to withhold and/or offset that repayment obligation against future payments.

(3) If within thirty (30) calendar days of termination of the contract period, such audit finds that the units of service, allowable costs of

services and/or any combination thereof furnished hereunder are higher than the units of service, allowable costs of services and/or payments made by County, then the difference may be paid to Contractor, not to exceed the County maximum Obligation.

(4) In no event shall County be required to pay Contractor for units of services that are not supported by actual allowable and documented costs.

(5) In the event that Contractor's actual allowable and documented cost for a unit of service are less than fee-for-service rate(s) set out in the schedule(s), the Contractor shall be reimbursed for its actual allowable and documented costs only.

I. Failure to Comply: Failure of Contractor to comply with the terms of this Paragraph shall constitute a material breach of contract upon which Director may suspend or County may immediately terminate this Contract.

#### 15. TERMINATION FOR NON-ADHERENCE OF COUNTY LOBBYIST

##### ORDINANCE OR RESTRICTIONS ON LOBBYING:

A. The Contractor, and each County Lobbyist or County Lobbying firm as defined in County Code Section 2.160.010 retained by the Contractor, shall fully comply with the County's Lobbyist Ordinance, County Code Chapter 2.160. Failure on the part of the Contractor or any County Lobbyist or County Lobbying firm retained by the Contractor to fully comply with the County's Lobbyist Ordinance shall constitute a material breach of this



Contract, upon which the County may in its sole discretion, immediately terminate or suspend this Contract.

16A. CONTRACTOR'S CHARITABLE ACTIVITIES COMPLIANCE:

The Supervision of Trustees and Fundraisers for Charitable Purposes Act regulates entities receiving or raising charitable contributions. The "Nonprofit Integrity Act of 2004" (SB 1262, Chapter 919) increased Charitable Purposes Act requirements. By requiring Contractors to complete the Charitable Contributions Certification, Exhibit F, the County seeks to ensure that all County contractors which receive or raise charitable contributions comply with California law in order to protect the County and its taxpayers. A Contractor which receives or raises charitable contributions without complying with its obligations under California law commits a material breach subjecting it to either contract termination or debarment proceedings or both. (County Code Chapter 2.202)

17. ADDITIONAL PROVISIONS: Attached hereto and incorporated herein by reference, is a document labeled ADDITIONAL PROVISIONS, of which the terms and conditions therein contained are part of this Contract.

18. CONSTRUCTION: To the extent there are any rights, duties, obligations, or responsibilities enumerated in the recitals or otherwise in this Contract, they shall be deemed a part of the operative provisions of this Contract and are fully binding upon the parties.

19. CONFLICT OF TERMS: To the extent that there exists any conflict or inconsistency between the language of this Contract (including its ADDITIONAL

PROVISIONS) and that of any Exhibit(s), Attachment(s), and any documents incorporated herein by reference, the language found within this Contract shall govern and prevail.

20. CONTRACTOR'S OFFICES: Contractor's office is located at 1404 South Grand Avenue, Los Angeles, California 90015 Contractor's business telephone number is (213) 742-5778, facsimile (FAX) number is (213) 765-4078, and electronic Mail (e-mail) address is [craig.myers@dignityhealth.org](mailto:craig.myers@dignityhealth.org) / [rachel.zupa@dignityhealth.org](mailto:rachel.zupa@dignityhealth.org). Contractor shall notify County, in writing, of any changes made to their business address, business telephone number, FAX number and/or e-mail address as listed herein, or any other business address, business telephone number, FAX number and/or e-mail address used in the provision of services herein, at least ten (10) calendar days prior to the effective date(s) thereof.

21. NOTICES: Notices hereunder shall be in writing and may either be delivered personally or sent by registered or certified mail, return receipt requested, postage prepaid, attention to the parties at the addresses listed below. Director is authorized to execute all notices or demands which are required or permitted by County under this Contract. Addresses and parties to be notified may be changed by providing at least ten (10) working days prior written notice to the other party.

A. Notices to County shall be addressed as follows:

- (1) Department of Public Health  
Office of Health Assessment and Epidemiology  
Data Collections and Analysis Unit  
313 North Figueroa Street, Room 127  
Los Angeles, California 90012

**Attention: Project Director**

- (2) Department of Public Health  
Contracts and Grants Division  
313 North Figueroa Street, 6th Floor-West  
Los Angeles, California 90012-2659

**Attention: Division Chief**

B. Notices to Contractor shall be addressed as follows:

- (1) Dignity Health dba California Hospital Medical Center  
1401 South Grand Avenue  
Los Angeles, California 90015

Attention: Mr. Craig Myers, Director

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IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Contract to be subscribed by its Director of Public Health, and Contractor has caused this Contract to be subscribed in its behalf by its duly authorized officer, the day, month, and year first above written.

COUNTY OF LOS ANGELES

By \_\_\_\_\_  
Jonathan E. Fielding, M.D., M.P.H.  
Director and Health Officer

DIGNITY HEALTH DBA CALIFORNIA  
HOSPITAL MEDICAL CENTER  
\_\_\_\_\_  
Contractor

By \_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

Title \_\_\_\_\_  
(AFFIX CORPORATE SEAL)

APPROVED AS TO FORM  
BY THE OFFICE OF THE COUNTY COUNSEL  
JOHN F. KRATTLI  
County Counsel

APPROVED AS TO CONTRACT  
ADMINISTRATION:

Department of Public Health

By \_\_\_\_\_  
Patricia Gibson, Chief  
Contracts and Grants Division

#02775

LOS ANGELES COUNTY – DEPARTMENT OF PUBLIC HEALTH  
 SCOPE OF WORK  
 Community Health Needs Assessments Services  
 Effective upon date of Board Approval through June 30, 2016

**Contractor: Dignity Health DBA California Hospital Medical Center**

**GOAL:** Create a Coalition of Non-profit hospitals and establish a Health Indicator Resource website for Los Angeles County.

<b>CONTRACTOR'S RESPONSIBILITY</b>			
<b>Objectives</b>	<b>Activities</b>	<b>Timeline (Activity Completed By)</b>	<b>Documentation/ Evaluation</b>
<b>1.0</b> Contractor will establish a coalition of not for profit hospitals and other interested organizations for the purpose of developing a common accessible set of health indicators.	a. Create a charter for the organization b. Establish an advisory committee c. Develop criteria for membership d. Develop and implement a governance structure e. Establish a financial structure	Anticipated start date: December 15, 2013 Anticipated completion date: March 30, 2014	a. Organizational charter b. List of advisory committee c. Membership list d. Governance structure and list of officials e. Financial statements
<b>1.1</b> Contractor will continue to maintain and develop coalition in described in Objective 1.0	a. Convene coalition on a periodic basis b. Provide ongoing support for continuation of the coalition	Upon establishment of coalition and ongoing	Provide annual lists of a. Advisory committee b. Coalition Membership

LOS ANGELES COUNTY – DEPARTMENT OF PUBLIC HEALTH  
SCOPE OF WORK  
Community Health Needs Assessments Services  
Effective upon date of Board Approval through June 30, 2016

**Contractor: Dignity Health DBA California Hospital Medical Center**

**GOAL:** Create a Coalition of Non-profit hospitals and establish a Health Indicator Resource website for Los Angeles County.

<b>CONTRACTOR'S RESPONSIBILITY</b>			
<b>Objectives</b>	<b>Activities</b>	<b>Timeline (Activity Completed By)</b>	<b>Documentation/ Evaluation</b>
<p><b>2.0</b> Contractor will establish a web-based health indicator website for Los Angeles County with the capability of:</p> <ul style="list-style-type: none"> <li>• A comprehensive set of indicators approved by the Advisory Committee that can serve as a community dashboard</li> <li>• Real-time updates of data</li> <li>• Analyses and mapping capability at a granular level consistent with the available data</li> <li>• Comparison results for California and jurisdictions across Los Angeles</li> <li>• Evidence-based interventions germane to each indicator</li> <li>• Linkage to local resources for individuals and organizations</li> <li>• Capability to upload local data to provide local indicators</li> <li>• Mechanism for collaboration among stakeholders to address health issues</li> <li>• A system for measuring progress towards community health objectives</li> <li>• Have a public launch of the website</li> </ul>	<p>a. Contractor will procure a website with capabilities shown</p> <p>b. Contractor will convene the advisory committee to recommend indicators to be included in the dashboard</p> <p>c. Contractor will oversee the quality of the web-based installation</p> <p>d. Contractor will assure ongoing maintenance of the system</p> <p>e. Assure that functionality is at a quality as good or better than existing systems such as Healthy Sonoma or Health Matters in San Francisco</p> <p>f. Provide annual report on website utilization and downtime</p>	<p>Web Site to be operational and accessible to members and the public by May, 2014</p> <p>Official launch of the website by June, 2014</p> <p>Monitoring of website utilization and downtime will be ongoing through June 30, 2016</p>	<p>a. Functional website</p> <p>b. Plan and implementation of an official launch</p> <p>c. Annual report of utilization of website, downtime</p>

## LOS ANGELES COUNTY - DEPARTMENT OF PUBLIC HEALTH

Exhibit C-1

California Hospital Medical Center  
**Community Health Needs Assessments (CHNAs) Services**  
**Budget**  
**CHNAs Project**  
**Budget Period: Date of Board Approval - June 30, 2014**

	Monthly	# of	% of	# of	County	Contractor	Total
	Salary	Pos	Time	Months	Obligation	Inkind Contribution	Budget
<b>I. PERSONNEL SERVICES</b>							
M. Lynn Yonekura, MD	\$15,600	1	5%	7	\$0	\$5,460	\$5,460
<b>Total Personnel Costs</b>					<b>\$0</b>	<b>\$5,460</b>	<b>\$5,460</b>
<b>Total Salaries</b>					<b>\$0.00</b>	<b>\$5,460</b>	<b>\$5,460</b>
<b>II. Operating Expenses:</b>							
<b>A. Contractual Services</b>					\$40,000	\$0	\$40,000
<b>Total Operating Expenses</b>					<b>\$40,000.00</b>	<b>\$0</b>	<b>\$40,000.00</b>
<b>III. Total Budget</b>					<b>\$40,000.00</b>	<b>\$5,460.00</b>	<b>\$45,460.00</b>

OHAE CHNAS - DIG

**California Hospital Medical Center**  
**Community Health Needs Assessments (CHNAs) Services**  
**Budget**  
**CHNAs Project**  
**Budget Period: July 1, 2014 - June 30, 2015**

	Monthly	# of	% of	# of	County	Contractor	Total
	Salary	Pos	Time	Months	Obligation	Inkind Contribution	Budget
<b>I. PERSONNEL SERVICES</b>							
M. Lynn Yonekura, MD	\$15,600	1	5%	12	\$0	\$9,360	\$9,360
<b>Total Personnel Costs</b>					<b>\$0</b>	<b>\$9,360</b>	<b>\$9,360</b>
<b>Total Salaries</b>					<b>\$0.00</b>	<b>\$9,360</b>	<b>\$9,360</b>
<b>II. Operating Expenses:</b>							
<b>A. Contractual Services</b>					\$20,000	\$0	\$20,000
<b>Total Operating Expenses</b>					<b>20,000.00</b>	<b>\$0</b>	<b>\$20,000.00</b>
<b>III. Total Budget</b>					<b>\$20,000</b>	<b>\$9,360</b>	<b>\$29,360</b>

OHAЕ CHNAS - DIG



**LOS ANGELES COUNTY - DEPARTMENT OF HEALTH SERVICES  
PUBLIC HEALTH SERVICES  
California Hospital Medical Center**

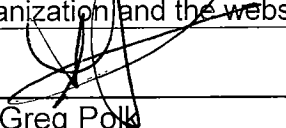
**Exhibit C-3**

**Community Health Needs Assessments (CHNAs) Services  
Budget  
CHNAs Project  
Budget Period: July 1, 2015 - June 30, 2016**

	Monthly	# of	% of	# of	County	Contractor	Total
	Salary	Pos	Time	Months	Obligation	Inkind Contribution	Budget
<b>I. PERSONNEL SERVICES</b>							
M. Lynn Yonekura, MD	\$15,600	1	5%	12	\$0	\$9,360	\$9,360
<b>Total Personnel Costs</b>					<b>\$0</b>	<b>\$9,360</b>	<b>\$9,360</b>
<b>Total Salaries</b>					<b>\$0.00</b>	<b>\$9,360</b>	<b>\$9,360</b>
<b>II. Operating Expenses:</b>							
A. Contractual Services					\$20,000	\$0	\$20,000
<b>Total Operating Expenses</b>					<b>\$20,000</b>	<b>\$0</b>	<b>\$20,000.00</b>
<b>III Total Budget</b>					<b>\$20,000</b>	<b>\$9,360</b>	<b>\$29,360</b>

**OHAE CHNAS - DIG**

SOLE SOURCE CHECKLIST  
DIGNITY HEALTH DBA CALIFORNIA HOSPITAL MEDICAL CENTER  
COMMUNITY HEALTH NEEDS ASSESSMENTS SERVICES

Check (√)	JUSTIFICATION FOR SOLE SOURCE PROCUREMENT OF SERVICES
	<b>Identify applicable justification and provide documentation for each checked item.</b>
	➤ Only one bona fide source for the service exists; performance and price competition are not available.
	➤ Quick action is required (emergency situation)
	➤ Proposals have been solicited but no satisfactory proposals were received.
	➤ Additional services are needed to complete an ongoing task and it would be prohibitively costly in time and money to seek a new service provider.
	➤ Maintenance service agreements exist on equipment which must be serviced by the authorized manufacturer's service representatives.
	➤ It is most cost-effective to obtain services by exercising an option under an existing contract.
	➤ It is the best interest of the County (e.g., administrative cost savings, too long a learning curve for a new service provider, etc.).
✓	<p>➤ Other reason. Please explain:</p> <p>The Department of Public Health (DPH) conducted an exhaustive review of not-for-profit (NFP) hospitals in the County and also contacted the Hospital Association of Southern California (HASC), a Hospital Association that consists of more than 170 hospitals across six counties. It was determined that the California Hospital Medical Center (CHMC) was the sole agency with the most experience conducting and coordinating Community Health Needs Assessments (CHNA) with a public health perspective to successfully implement a community benefit program and provide and utilize population-based indicators through an online resource with various community and academic organizations in the County.</p> <p>CHMC will be responsible for establishing and managing complex coalitions; convening stakeholders including NFP hospitals, academic institutions, community partners, and community development banks; and undertake the administrative tasks to establish the organization and the website for the County.</p>
	<div style="display: flex; justify-content: space-between; align-items: flex-end;"> <div style="text-align: center;">   <hr style="width: 30%; margin: 0;"/> <p>Greg Polk Senior Assistant Chief Executive Officer, CEO #02775</p> </div> <div style="text-align: center;"> <p><u>10/15/13</u> Date</p> </div> </div>